

Post-Conviction Defender Commission

April 2004

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**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY**

State Capitol
Nashville, Tennessee 37243-0260
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John G. Morgan
Comptroller

April 29, 2004

The Honorable Phil Bredesen, Governor
and

Members of the General Assembly
State Capitol
Nashville, Tennessee 37243

and

The Honorable Richard McGee, Chair
Post-Conviction Defender Commission
1308 Eighth Avenue North
Nashville, Tennessee 37208

and

Mr. Don Dawson
Post-Conviction Defender
530 Church Street, Suite 600
Nashville, Tennessee 37243

Ladies and Gentlemen:

Transmitted herewith is the financial and compliance audit of the Post-Conviction Defender Commission for the period July 1, 2001, through January 31, 2004.

The review of internal control and compliance with laws and regulations resulted in no audit findings.

Sincerely,

John G. Morgan
Comptroller of the Treasury

JGM/cj
04/051



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
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February 9, 2004

The Honorable John G. Morgan
Comptroller of the Treasury
State Capitol
Nashville, Tennessee 37243

Dear Mr. Morgan:

We have conducted a financial and compliance audit of selected programs and activities of the Post-Conviction Defender Commission for the period July 1, 2001, through January 31, 2004.

We conducted our audit in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. These standards require that we obtain an understanding of internal control significant to the audit objectives and that we design the audit to provide reasonable assurance of the Post-Conviction Defender Commission's compliance with laws, regulations, and provisions of contracts or grant agreements significant to the audit objectives. Management of the Post-Conviction Defender Commission is responsible for establishing and maintaining effective internal control and for complying with applicable laws, regulations, and provisions of contracts and grant agreements.

Our audit resulted in no audit findings.

We have reported other less significant matters involving the commission's internal control and/or instances of noncompliance to the Post-Conviction Defender Commission's management in a separate letter.

Sincerely,

Arthur A. Hayes, Jr., CPA,
Director

AAH/cj

State of Tennessee

Audit Highlights

Comptroller of the Treasury

Division of State Audit

Financial and Compliance Audit
Post-Conviction Defender Commission
April 2004

AUDIT SCOPE

We have audited the Post-Conviction Defender Commission for the period July 1, 2001, through January 31, 2004. Our audit scope included a review of internal control and compliance with laws and regulations in the areas of revenue, expenditures, equipment, and payroll and personnel. The audit was conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States.

AUDIT FINDINGS

The audit report contains no findings.

Financial and Compliance Audit Post-Conviction Defender Commission

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Financial and Compliance Audit Post-Conviction Defender Commission

INTRODUCTION

POST-AUDIT AUTHORITY

This is the report on the financial and compliance audit of the Post-Conviction Defender Commission. The audit was conducted pursuant to Section 4-3-304, *Tennessee Code Annotated*, which requires the Department of Audit to “perform currently a post-audit of all accounts and other financial records of the state government, and of any department, institution, office, or agency thereof in accordance with generally accepted auditing standards and in accordance with such procedures as may be established by the comptroller.”

Section 8-4-109, *Tennessee Code Annotated*, authorizes the Comptroller of the Treasury to audit any books and records of any governmental entity that handles public funds when the Comptroller considers an audit to be necessary or appropriate.

BACKGROUND

The Post-Conviction Defender Commission is an independent agency. It is the mission of the Post-Conviction Defender Commission to ensure that a qualified attorney is appointed to the position of Post-Conviction Defender. The office of the Post-Conviction Defender was created “to provide for the representation of any person convicted and sentenced to death in this state who is unable to secure counsel due to indigence, and that legal proceedings to challenge such conviction and sentence may be commenced in a timely manner and so as to assure the people of this state that the judgments of its courts may be regarded with the finality to which they are entitled in the interest of justice.”

The Post-Conviction Defender is to provide the highest possible caliber of legal representation to indigent death-sentenced inmates in Tennessee. The legal representation is to ensure that Tennessee’s death penalty is never carried out in an arbitrary manner, against an indigent defendant who was not guilty of the offense for which he or she had been convicted.

AUDIT SCOPE

We have audited the Post-Conviction Defender Commission for the period July 1, 2001, through January 31, 2004. Our audit scope included a review of internal control and compliance with laws and regulations in the areas of revenue, expenditures, equipment, and payroll and personnel. The audit was conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States.

The Post Conviction Defender Commission is in the judicial branch of state government. The commission has chosen to follow certain executive branch policies and procedures including those prescribed by the Department of Finance and Administration and approved by the Comptroller of the Treasury. Tennessee statutes, in addition to audit responsibilities, entrust certain other responsibilities to the Comptroller of the Treasury. Those responsibilities include approving accounting policies of the state as prepared by the state's Department of Finance and Administration.

PRIOR AUDIT FINDING

Section 8-4-109, *Tennessee Code Annotated*, requires that each state department, agency, or institution report to the Comptroller of the Treasury the action taken to implement the recommendations in the prior audit report. The Post-Conviction Defender Commission filed its report with the Department of Audit on November 22, 2002. A follow-up of the prior audit finding was conducted as part of the current audit.

RESOLVED AUDIT FINDING

The current audit disclosed that the Post-Conviction Defender Commission has corrected the previous audit finding concerning submitting invoices and travel claims timely for payment.

OBJECTIVES, METHODOLOGIES, AND CONCLUSIONS

REVENUE

The objectives of our review of the revenue controls and procedures for the Post-Conviction Defender Commission were to determine whether

- revenue transactions were reasonable and valid,
- revenue collected during the audit period has been deposited timely and accounted for in the appropriate fiscal year,
- the petty cash fund was appropriately authorized by the Department of Finance and Administration, and
- auditee records were reconciled with Department of Finance and Administration reports.

We reviewed the applicable laws and regulations, interviewed key personnel, and reviewed supporting documentation to gain an understanding of the commission's procedures and controls over revenue. All revenue transactions for the period July 1, 2001, through November 30, 2003, excluding FICA credits, were tested. The revenue transactions were traced to deposit slips and journal vouchers and were reviewed for adequate support, timeliness of the deposit, and proper coding and recording. We compared the commission's petty cash amount with the Department of Finance and Administration authorized petty cash amount. We discussed reconciliation procedures for revenue records with the auditee, and we reviewed the supporting documentation.

Based on our interviews, reviews of supporting documentation, and testwork, the commission's revenue controls and procedures appeared to be adequate. Revenue transactions were reasonable, valid, deposited timely, and accounted for in the appropriate fiscal year. Petty cash was appropriately authorized, and the auditee's records were reconciled with Department of Finance and Administration reports.

EXPENDITURES

The objectives of our review of expenditure controls and procedures in the Post-Conviction Defender Commission were to determine whether

- expenditure transactions were reasonable and valid,
- recorded expenditures were for goods or services authorized and received,
- the object code and amount had been recorded correctly,
- payments had been made in a timely manner, and
- payments for travel had been paid in accordance with the Comprehensive Travel Regulations.

We reviewed the applicable laws and regulations, interviewed key personnel, and reviewed supporting documentation to gain an understanding of the commission's procedures and controls over expenditures. A nonstatistical sample of expenditures for the period July 1, 2001, through November 30, 2003, was selected and tested to determine if expenditures had been properly recorded and approved and were for goods or services authorized and received. Expenditures were also tested to determine if the object code and amount had been recorded correctly and payment had been made timely. Travel expenditure transactions were tested for compliance with regulations.

Based on our reviews, interviews, and testwork, the commission's procedures and controls over expenditure transactions appeared adequate. The expenditure transactions were reasonable, valid, and recorded correctly and were for goods and services authorized and received; and payments were made timely. Travel expenses were in compliance with the Comprehensive Travel Regulations.

EQUIPMENT

The objectives of our review of the equipment controls and procedures in the Post-Conviction Defender Commission were to determine whether

- the equipment on the Property of the State of Tennessee (POST) property listing was on the commission's equipment listing,
- the information on the POST property listing was properly recorded, and
- equipment was adequately safeguarded.

We interviewed key personnel and reviewed supporting documentation to gain an understanding of the commission's procedures and controls over equipment. The commission's equipment listing and POST's equipment listing for the audit period were compared to determine if the information agreed. We reviewed equipment items nonstatistically selected from the property listing, and the description and tag number were verified. Also, equipment items nonstatistically selected from the commission's office were traced to the commission's equipment listing to determine if the items were appropriately identified on the list. We observed and discussed the safeguarding of equipment with the auditee.

Based on the reviews, interviews, and testwork, the commission's procedures and controls over equipment appeared adequate. The commission's equipment listing was complete, information was properly recorded on POST, and the equipment items were adequately safeguarded.

PAYROLL AND PERSONNEL

The objectives of our review of the payroll and personnel controls and procedures in the Post-Conviction Defender Commission were to determine whether

- payroll (wages, salaries, and benefits) disbursements and deductions were proper and agreed with supporting documentation,
- leave was accrued and taken in accordance with applicable guidelines,
- newly hired employees were qualified for their positions and their initial wage was correct, and
- terminated employees' final pay was accurate.

We interviewed key personnel and reviewed supporting documentation to gain an understanding of the commission's procedures and controls over payroll and personnel. A nonstatistical sample of payroll transactions for the period July 1, 2001, through November 30, 2003, was tested. We traced the payroll transactions to the payroll registers, personnel files, and leave and attendance records to determine whether payroll disbursements and deductions were proper and agreed with supporting documentation and whether leave was accrued and taken in accordance with applicable guidelines. For newly hired employees in the sample, we reviewed their personnel files and initial payroll registers to determine if the employees met the job qualifications and their initial wage was correct. For terminated employees in the sample, we reviewed their personnel files, leave and attendance records, and final payroll registers to determine if the employees' final pay was accurate.

Based on our interviews, reviews, and testwork, the commission's controls over payroll and personnel appeared adequate. Payroll disbursements and deductions were proper and agreed with supporting documentation. Leave was accrued and taken in accordance with applicable guidelines. Newly hired employees were qualified for their positions, and their initial wage was correct. The final pay for terminated employees was accurate.

APPENDIX

ALLOTMENT CODE

308.00 Post-Conviction Defender Commission